

Exhibit 32

MasterCard 2014 Global Destination Cities Index, (2014)

Introduction

A hundred years ago, in January 1914, the first commercial flight flew from Tampa to St. Petersburg in Florida, USA. The distance between these two cities is about 23 miles, and it took 20 minutes for the flimsy wooden and propeller-driven aircraft to do it flying at a top speed of 60 miles an hour. At US\$400, the airfare was very expensive for the two paid passengers (roughly equivalent to US\$9,300 today). But this 20-minute flight ushered in the era of commercial air travel.¹ Over the course of the last one hundred years, aircrafts got bigger, faster, safer, and more comfortable; but even more importantly, it also got steadily cheaper to fly. The Tampa to St. Petersburg airfare of US\$9,300 could easily pay for a round-the-world plane ticket today with change to spare. Cheaper and faster air travel turned it into a mass phenomenon instead of a passtime for the privileged. The expansion of air travel has been dramatic; in 2013, some three billion air passengers flew on commercial airlines crisscrossing the globe.²



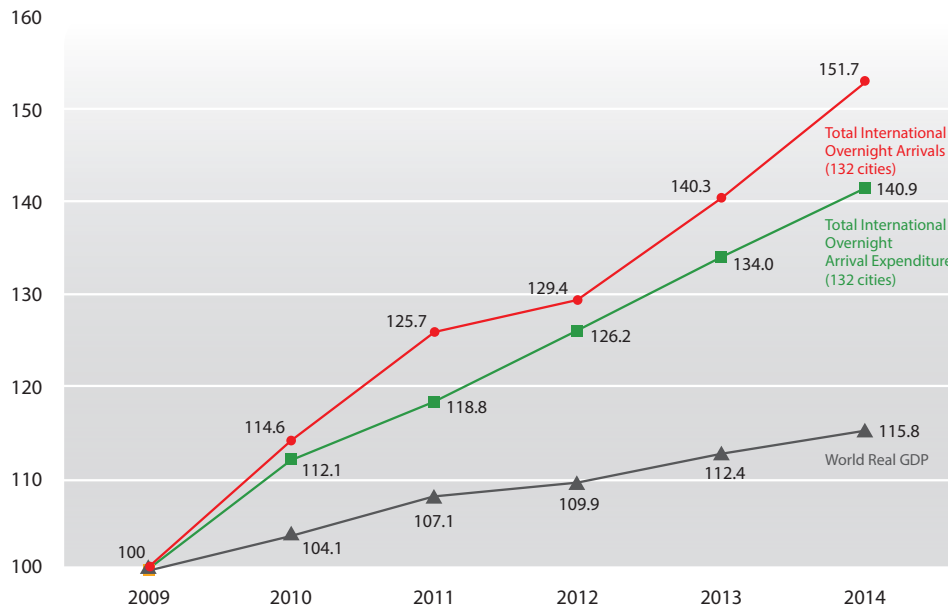
Today, air travel is woven into the fabric of our everyday lives. Business travel is a given for many working men and women everywhere. Single-purpose leisure trips such as going somewhere special for a weekend just to shop, or to sample cuisine by a famous chef are routine among the cognoscenti. And as air travel becomes increasingly affordable, it has become a “must do” item in recent years for the mass middle class in emerging markets: many of them going overseas for the first time. As Chart 1 shows, the growth rates of international visitor arrivals and their

¹Dowling, S. January 30, 2014. “100 Years of Air Travel: How Planes Shrunk the Globe”. *BBC Future*.

²IATA data.

cross-border spending in the 132 destination cities covered by the MasterCard Global Destination Cities Index exceeded world real GDP growth over the 2009 to 2014 period (2014 based on forecast estimates). And this is a period when the global economy is still struggling with a fragile and uncertain recovery. There is no better illustration of the momentum of growth of air travel today.

CHART 1 World GDP Growth Versus the Growth of International Visitor Arrivals and Spend by the 132 Destinations



Growth rates of international visitor arrivals and their cross-border spending in the 132 destination cities ... **exceeded world real GDP growth over the 2009 to 2014 period.**

The impacts of travel on destination cities³ that receive visitors are very significant from the business, social, and cultural perspectives. International visitors' spending constitute an increasingly important source of business revenue in a destination city, encompassing the hospitality, retail, transport, sports, and cultural industries, among many others. In many instances, it is a major economic engine for employment and income generation for the city in question. Along with the flow of visitors comes the flow of new ideas and experiences that benefits both the visitors and the destination cities, which are just as important as the flow of spending. As a result, the more connected a destination city is to other cities, the more vibrant and dynamic it becomes.

MasterCard's Global Destination Cities Index, now in its fourth year, provides an annual ranking of 132 of the most important destination cities in the world.⁴ It generates estimates of the total number of international visitors to each of these cities each year, their cross-border spending in these cities, and breakdown of their numbers by feeder cities. The index is therefore a global map of how these 132 cities are connected and the business potential generated in each of them by the inflows of visitor spending.

⁴See Appendix for the list of the 132 destination cities.

⁵See Glossary Section in the Appendix for the definition of "Visitor" and the methodology for estimation.

Top 20 Global Destination Cities in 2014

The top 20 destination cities in 2014 are shown in Chart 2 and Table 1. London is the world's top ranked destination city with an estimated 18.69 million international visitors in 2014. It has been a tight race between London and Bangkok for the number one position in the last few years. Bangkok overtook London in 2013 to become the top ranked destination city in the world, but London regained the top rank this year with an 8% growth in visitors, versus an 11% decline in Bangkok due to the Thai political situation.



CHART 2 Global Top 20 Top Destination Cities by International Overnight Visitors (2014)



London regained the top rank this year with an **8% growth** in visitors.

TABLE 1 Global Top 20 Top Destination Cities by International Overnight Visitors (2014)

	Destination City	Country	Visitors (millions)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	14.71	15.29	15.46	17.30	18.69	8.0%	\$19.3
2	Bangkok	Thailand	10.44	13.80	15.82	18.46	16.42	-11.0%	\$13.0
3	Paris	France	13.27	13.88	14.33	15.29	15.57	1.8%	\$17.0
4	Singapore	Singapore	8.80	10.14	11.11	12.10	12.47	3.1%	\$14.3
5	Dubai	UAE	8.41	9.20	10.16	11.12	11.95	7.5%	\$10.9
6	New York	USA	9.43	10.27	10.60	11.08	11.81	6.6%	\$18.6
7	Istanbul	Turkey	6.45	7.51	8.82	9.87	11.60	17.5%	\$9.4
8	Kuala Lumpur	Malaysia	8.90	8.99	9.26	9.56	10.81	13.1%	\$8.1
9	Hong Kong	China	8.13	8.43	8.37	8.26	8.84	7.0%	\$8.3
10	Seoul	South Korea	6.06	6.56	7.51	8.24	8.63	4.7%	\$11.5
11	Barcelona	Spain	6.18	6.89	6.91	7.18	7.37	2.7%	\$11.2
12	Amsterdam	Netherlands	5.86	6.07	6.10	6.74	7.23	7.2%	\$4.4
13	Milan	Italy	5.83	6.59	6.88	6.85	6.82	-0.4%	\$5.3
14	Rome	Italy	6.65	6.66	6.82	6.63	6.79	2.5%	\$5.6
15	Taipei	Chinese Taipei	3.52	3.96	4.70	5.80	6.29	8.4%	\$10.8
16	Shanghai	China	6.67	6.18	6.04	5.66	6.09	7.6%	\$5.3
17	Vienna	Austria	4.64	5.08	5.38	5.67	6.05	6.8%	\$5.6
18	Riyadh	Saudi Arabia	1.82	4.16	4.83	5.52	5.59	1.3%	\$4.1
19	Tokyo	Japan	4.47	2.94	4.07	5.05	5.38	6.5%	\$7.4
20	Lima	Peru	2.07	2.94	3.94	4.91	5.11	4.1%	\$1.8

Paris, Singapore, and Dubai followed in third, fourth and fifth ranks respectively. Their respective growth rates, however, diverge significantly. At 1.8%, Paris' growth is very low, and Singapore's growth rate is slightly higher at 3.1%. But they are both eclipsed by Dubai's 7.5%. If their current growth rates are to continue, then Dubai would overtake both Paris and Singapore within five years. Other major changes in the ranking are: Amsterdam overtook Milan to move up from 13th to 12th rank, and Shanghai overtook Vienna.

Amsterdam
overtook Milan
to move up
from 13th to
12th rank.

Chart 3 and Table 2 below show the rankings for the top 20 global destinations in terms of international visitor spending. London is the top ranked city in terms of visitor spending, which is estimated to be US\$19.27 billion in 2014. London retained its top ranked position in visitor spending in 2013 despite losing the top ranked position to Bangkok in visitor numbers last year. New York and Paris followed in second and third respectively. Singapore moves above Bangkok to claim fourth. Madrid moved up from 16th, displacing Sydney, while San Francisco moved up to 19th, displacing Munich.

CHART 3 Global Top 20 Top Destination Cities by International Overnight Visitor Spend



London is in the top rank in terms of visitor spending, which is estimated to be **US\$19.27 billion** in 2014.

^aSee Appendix for definition of "Visitor Spending" and the methodology for estimation.

TABLE 2 Global Top 20 Destination Cities by International Overnight Visitor Spend (2014)

	Destination City	Country							2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	\$13.50	\$15.10	\$16.00	\$17.00	\$19.30	13.40%	18.7
2	New York	USA	\$14.00	\$15.80	\$14.80	\$16.40	\$18.60	13.00%	11.8
3	Paris	France	\$13.10	\$15.40	\$14.60	\$15.80	\$17.00	7.70%	15.6
4	Singapore	Singapore	\$9.30	\$12.00	\$12.50	\$13.30	\$14.30	7.60%	12.5
5	Bangkok	Thailand	\$7.90	\$9.40	\$11.10	\$15.80	\$13.00	-17.70%	16.4
6	Seoul	South Korea	\$8.10	\$9.60	\$10.30	\$10.80	\$11.50	6.30%	8.6
7	Barcelona	Spain	\$7.00	\$7.80	\$8.70	\$10.10	\$11.20	11.70%	7.4
8	Dubai	UAE	\$7.60	\$8.10	\$9.00	\$10.00	\$10.90	9.00%	12
9	Taipei	Chinese Taipei	\$5.50	\$7.20	\$7.60	\$9.60	\$10.80	12.10%	6.3
10	Istanbul	Turkey	\$5.00	\$5.90	\$7.00	\$8.00	\$9.40	17.10%	11.6
11	Hong Kong	China	\$6.10	\$6.90	\$7.10	\$7.60	\$8.30	9.70%	8.8
12	Kuala Lumpur	Malaysia	\$6.40	\$6.90	\$7.10	\$7.30	\$8.10	10.50%	10.8
13	Los Angeles	USA	\$6.20	\$6.90	\$6.30	\$7.00	\$7.80	12.10%	5.0
14	Tokyo	Japan	\$4.70	\$3.50	\$4.90	\$6.30	\$7.40	18.00%	5.4
15	Miami	USA	\$5.10	\$5.00	\$5.30	\$6.10	\$6.60	8.20%	4.2
16	Madrid	Spain	\$4.90	\$5.40	\$5.30	\$5.40	\$6.30	16.50%	4.3
17	Sydney	Australia	\$5.60	\$6.20	\$6.40	\$6.20	\$6.00	-2.60%	3.1
18	Rome	Italy	\$5.50	\$4.60	\$5.40	\$5.20	\$5.60	7.90%	6.8
19	San Francisco	USA	\$4.60	\$5.10	\$4.50	\$5.10	\$5.60	10.10%	3.6
20	Munich	Germany	\$4.60	\$5.00	\$5.00	\$5.20	\$5.60	8.00%	4.9

The numbers of international visitors can also be represented on a per resident basis for each of the destination cities to illustrate the magnitude of their impacts. Chart 4 summarizes the ratios between international visitors and residents in the top 20 destination cities in both 2009 and 2014. While the ratio increased for top 20 destination cities between 2009 and 2014, Dubai is in a league of its own, with the highest ratio of 4.8 visitors per resident, up from 4.2 in 2009. Amsterdam's ratio is the second highest at 2.6, up from 1.9 in 2009. While Singapore and London have the same ratio of 2.3 in 2014, the former has grown much faster from 1.4 in 2009 compared to London's 1.8. Kuala Lumpur follows at 1.8, Bangkok at 1.4, and Barcelona at 1.5. Overall, 11 of the top 20 destination cities have a ratio that is bigger than one in 2014. This means that the number of international visitors that each of these cities received in 2014 was equal to or more than the total number residents in the city.

Dubai is in a league of its own, with the highest ratio of 4.8 visitors per resident.

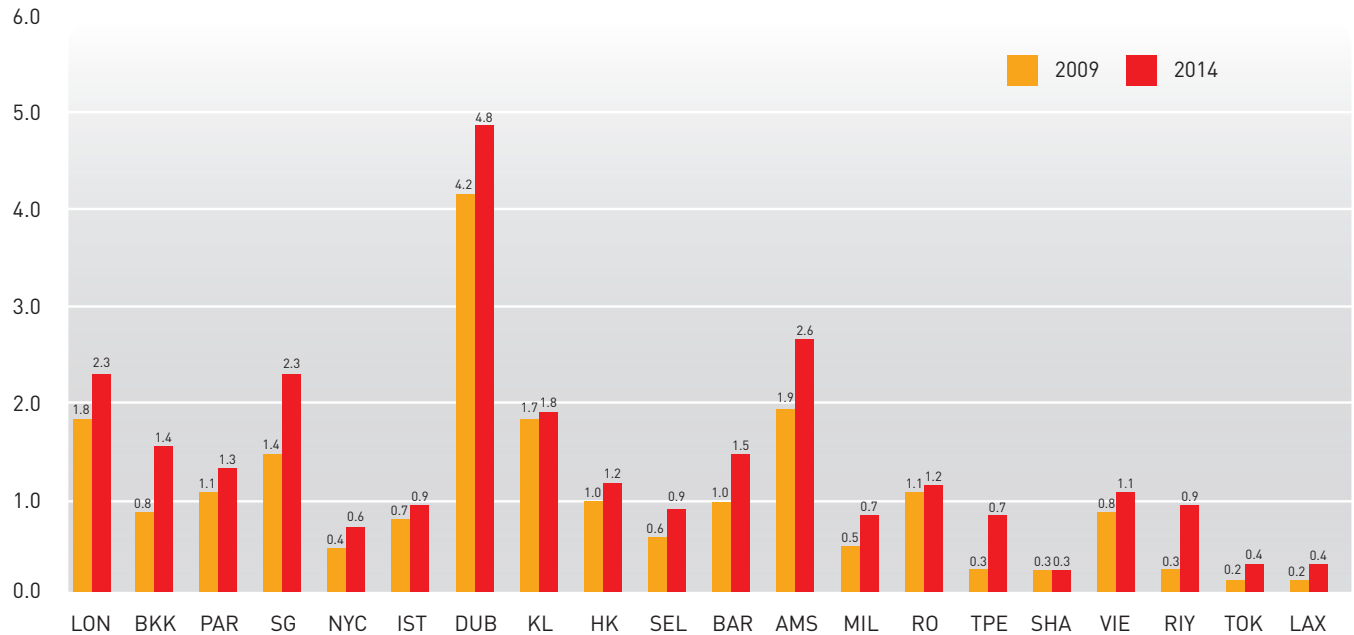
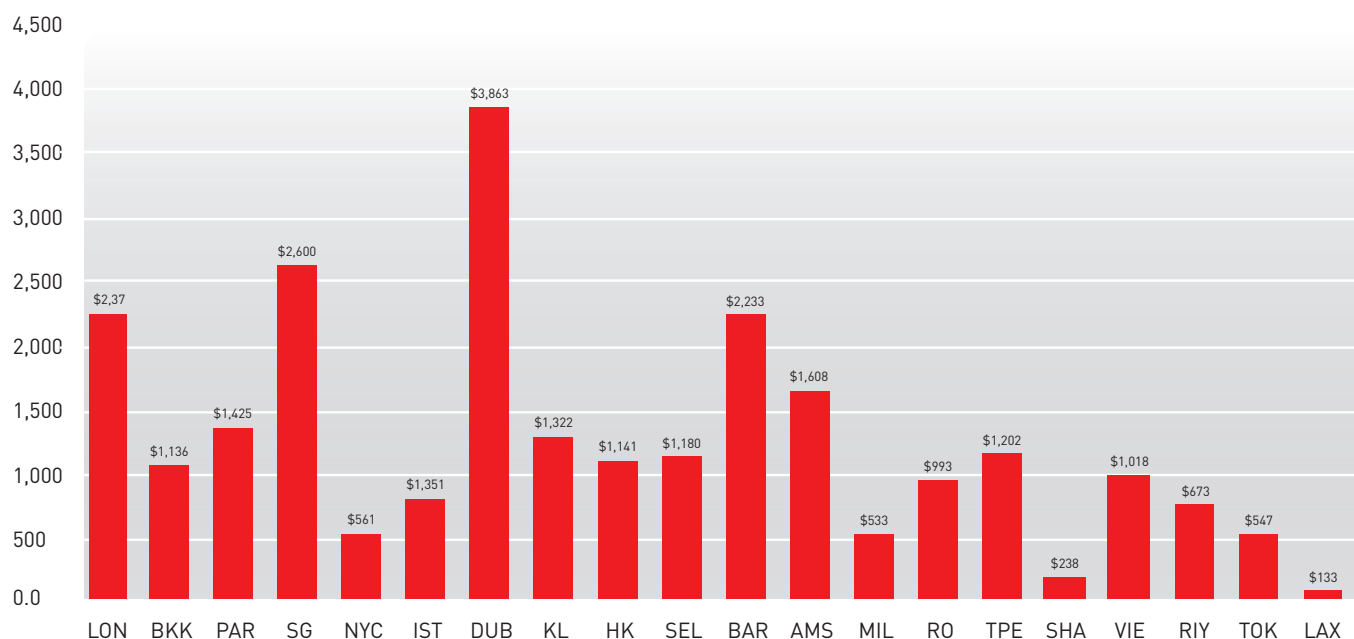
CHART 4 Top 20 Global Destinations by Overnight Visitor Arrivals per City Resident (2009 vs. 2014)

Chart 5 presents the ratios of international visitors' spending in the destination cities on a per resident basis. Again, Dubai has the highest ratio at US\$3,863 per resident. Singapore is at second place with US\$2,600 per resident. London follows with US\$2,378 per resident. Among the top 20, Shanghai has the lowest visitor spending per resident at US\$238.

CHART 5 Top 20 Global Destinations by Overnight Visitor Arrivals Expenditure per City Resident (2009 vs. 2014)

Top 10 Destination Cities in Asia/Pacific

The top 10 destination cities in Asia/Pacific are shown in Chart 6 and Table 3. Bangkok, ranked second in the world, is in the top position in the region with 16.42 million international visitors. The top five cities of Bangkok, Singapore, Kuala Lumpur, Hong Kong, and Seoul remain unchanged from 2013. Tokyo, Mumbai and Beijing round-off the top ten list.



CHART 6 Asia/Pacific Top 10 Destination Cities by International Overnight Visitors



Bangkok, ranked second in the world, is in the top rank in the region with **16.43 million international visitors.**

TABLE 3 Asia Pacific Top 10 Destination Cities by International Overnight Visitors (2014)

	Destination City	Country							2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Bangkok	Thailand	10.4	13.8	15.8	18.5	16.4	-11.00%	\$13.00
2	Singapore	Singapore	8.8	10.1	11.1	12.1	12.5	3.10%	\$14.30
3	Kuala Lumpur	Malaysia	8.9	9.0	9.3	9.6	10.8	13.10%	\$8.10
4	Hong Kong	Hong Kong (SAR) China	8.1	8.4	8.4	8.3	8.8	7.00%	\$8.30
5	Seoul	South Korea	6.1	6.6	7.5	8.2	8.6	4.70%	\$11.50
6	Taipei	Chinese Taipei	3.5	4.0	4.7	5.8	6.3	8.40%	\$10.80
7	Shanghai	China	6.7	6.2	6	5.7	6.1	7.60%	\$5.30
8	Tokyo	Japan	4.5	2.9	4.1	5.0	5.4	6.50%	\$7.40
9	Mumbai	India	4.0	3.8	4.0	4.6	4.9	5.90%	\$3.30
10	Beijing	China	4.5	4.8	4.6	4.0	4.4	9.20%	\$4.20

The top 10 destination cities in Asia/Pacific by international visitor spending are presented in Chart 7 and Table 4. Singapore with US\$14.3 billion displaces Bangkok at US\$13.0 billion to rank first. The placements of the other eight Asia Pacific cities in the top ten destinations are unchanged from last year.

CHART 7 Asia/Pacific Top 10 Destination Cities by International Overnight Visitor Spend (2014)



TABLE 4 Asia/Pacific Top 10 Destination Cities by International Overnight Visitor Spend (2014)

	Destination City	Country	2014 Visitor Spend (US\$ bn)						2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Singapore	Singapore	\$9.30	\$12.00	\$12.50	\$13.30	\$14.30	7.60%	12.5
2	Bangkok	Thailand	\$7.90	\$9.40	\$11.10	\$15.80	\$13.00	-17.70%	16.4
3	Seoul	South Korea	\$8.10	\$9.60	\$10.30	\$10.80	\$11.50	6.30%	8.6
4	Taipei	Chinese Taipei	\$5.50	\$7.20	\$7.60	\$9.60	\$10.80	12.10%	6.3
5	Hong Kong	China	\$6.10	\$6.90	\$7.10	\$7.60	\$8.30	9.70%	8.8
6	Kuala Lumpur	Malaysia	\$6.40	\$6.90	\$7.10	\$7.30	\$8.10	10.50%	10.8
7	Tokyo	Japan	\$4.70	\$3.50	\$4.90	\$6.30	\$7.40	18.00%	5.4
8	Sydney	Australia	\$5.60	\$6.20	\$6.40	\$6.20	\$6.00	-2.60%	3.1
9	Shanghai	China	\$5.60	\$5.10	\$4.90	\$5.00	\$5.30	5.40%	6.1
10	Melbourne	Australia	\$3.50	\$4.30	\$4.60	\$4.50	\$4.70	4.30%	2.2

The dynamism of a destination city is closely affected by its feeder cities – the cities where its international visitors come from or via which they are transiting through.⁷ If a destination city is connected with a network of fast growing feeder cities where outbound travel is taking off, then it is well positioned to benefit from such growth. On the other hand, if certain feeder cities are slowing down in economic growth with household income stagnating, then the associated destination cities will likely suffer unless they are able to tap into other growing feeder cities. Mapping a destination city's key feeder cities therefore generates valuable insights on a destination city's growth potential as well as challenges ahead. The top 5 feeder cities for each of the three top ranked destination cities in each region are provided here to illustrate the interconnected of these cities.

⁷See the Glossary Section of the Appendix for the definition of "feeder city".

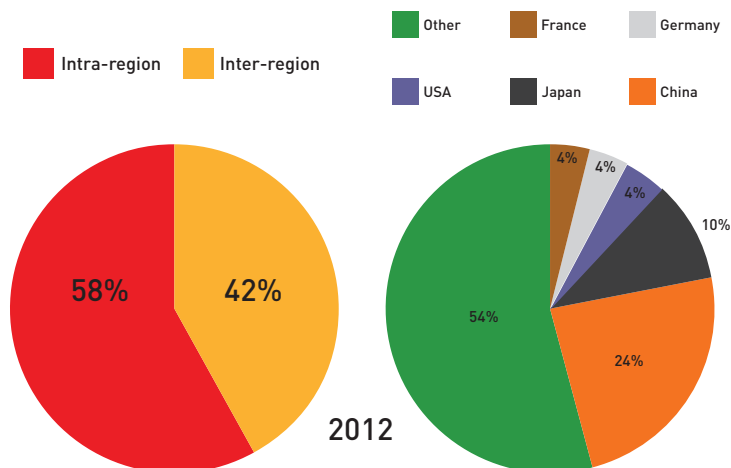


The top 5 feeder cities for Bangkok are shown in Chart 8. Singapore is the biggest feeder city for Bangkok. While also serving as an origin city for visitors to Bangkok, Singapore is also a major gateway hub for other countries to reach Bangkok. This is followed by Tokyo, Hong Kong, Kuala Lumpur, and Shanghai. Despite all five feeder cities being from Asia/Pacific, 42% of visitors to Bangkok are from outside of the region. In fact, Bangkok has a very diversified network of feeder cities and origin countries, which explains Bangkok's well known resilience as a tourism hotspot. However, in 2014 four of the top five feeder cities show a drop in visitor numbers to Bangkok due to its ongoing political turmoil, a key reason why Bangkok lost the world's top rank position to London in 2014.

CHART 8 Bangkok: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Singapore	Singapore	724	974	1,299	1,386	1,198	-13.60%	\$683
2	Tokyo	Japan	632	825	1,124	1,186	1,034	-12.80%	\$914
3	Hong Kong	Hong Kong (SAR) China	502	709	847	1,061	926	-12.70%	\$767
4	Kuala Lumpur	Malaysia	474	620	759	919	872	-5.10%	\$394
5	Shanghai	China	278	396	504	726	588	-19.00%	\$451

Bangkok: International Overnight Visitors by Regional Origin and Top 5 Origin Countries

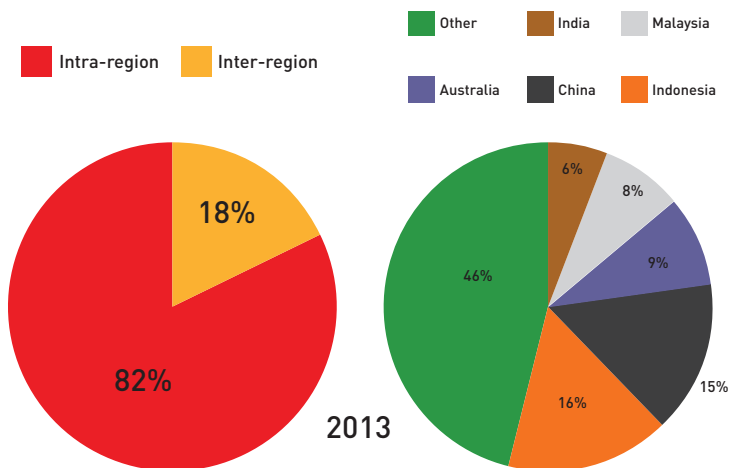


The top five feeder cities for Singapore, ranked second as a destination city in Asia/Pacific and fourth in the world, are shown in Chart 9. They are Jakarta, Tokyo, Shanghai, Hong Kong, and Manila, and all are in Asia/Pacific. This is consistent with the fact that 82% of visitors to Singapore are from the region.

CHART 9 Singapore: Top 5 Feeder Cities by International Overnight Visitors

	Destination City	Country	Visitors (thousands)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Jakarta	Indonesia	888	1,040	1,044	1,041	1,183	13.70%	\$1,790
2	Tokyo	Japan	334	407	479	512	569	11.10%	\$463
3	Shanghai	China	324	401	434	501	527	5.20%	\$571
4	Hong Kong	Hong Kong (SAR) China	324	395	392	409	427	4.50%	\$562
5	Manila	Philippines	373	489	454	425	408	-4.00%	\$476

Singapore: International Overnight Visitors by Regional Origin and Top 5 Origin Countries



Singapore

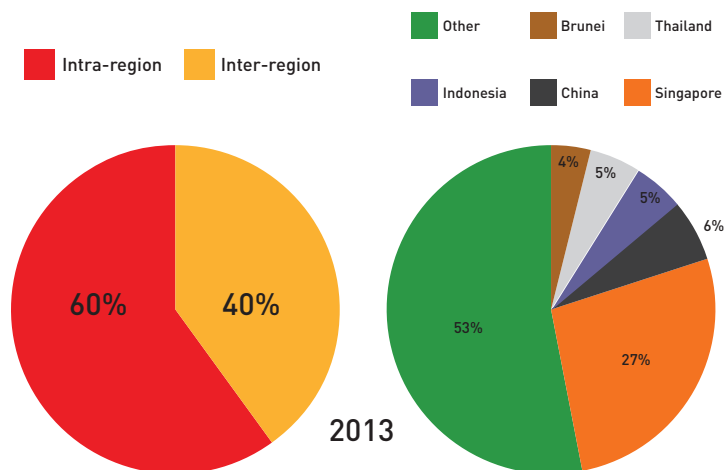


The top 5 feeder cities for Kuala Lumpur, the third ranked destination city in Asia/Pacific, are shown in Chart 10. They are Singapore, Jakarta, Bangkok, Manila and Melbourne. With the exception of Singapore, they show very strong growth in visitor numbers to Kuala Lumpur, with Melbourne being the highest with an impressive growth rate of 34.7%. About 60% of visitors to Kuala Lumpur are from the Asia/Pacific region.

CHART 10 Kuala Lumpur: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Singapore	Singapore	1,751	1,622	1,683	1,666	1,664	-0.10%	\$613
2	Jakarta	Indonesia	688	693	772	779	893	14.60%	\$322
3	Bangkok	Thailand	338	321	385	418	464	11.00%	\$118
4	Manila	Philippines	165	179	247	328	388	18.30%	\$145
5	Melbourne	Australia	398	305	252	269	362	34.70%	\$163

Kuala Lumpur: International Overnight Visitors by Regional Origin and Top 5 Origin Countries



Top 10 Destination Cities in Europe

Europe's top ten destination cities by international visitors are presented in Chart 11 and Table 5. London, being top ranked in the world, is naturally also leads the European list. Paris, Istanbul and Barcelona are in second, third and fourth position respectively, unchanged from last year. Amsterdam moves to fifth, displacing Milan.



CHART 11 Europe Top 10 Destination Cities by International Overnight Visitors



London, being top ranked in the world, is naturally also top ranked in Europe.

TABLE 5 Europe Top 10 Destination Cities by International Overnight Visitors (2014)

	Destination City	Country	Visitors (millions)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	14.7	15.3	15.5	17.3	18.7	8.00%	\$19.30
2	Paris	France	13.3	13.9	14.3	15.3	15.6	1.80%	\$17.00
3	Istanbul	Turkey	6.4	7.5	8.8	9.9	11.6	17.50%	\$9.40
4	Barcelona	Spain	6.2	6.9	6.9	7.2	7.4	2.70%	\$11.20
5	Amsterdam	Netherlands	5.9	6.1	6.1	6.7	7.2	7.20%	\$4.40
6	Milan	Italy	5.8	6.6	6.9	6.8	6.8	-0.40%	\$5.30
7	Rome	Italy	6.7	6.7	6.8	6.6	6.8	2.50%	\$5.60
8	Vienna	Austria	4.6	5.1	5.4	5.7	6.1	6.80%	\$5.60
9	Prague	Czech Republic	4.1	4.4	4.7	4.8	4.9	3.00%	\$3.80
10	Munich	Germany	3.9	4.0	4.4	4.5	4.9	8.00%	\$5.60

Chart 12 and Table 6 show the top 10 destination cities by international visitor spending in Europe. The top four positions—held by London, Paris, Barcelona and Istanbul—are unchanged from last year. Vienna moves up two places to eighth, displacing Milan and Berlin which both move down to ninth and tenth respectively.

CHART 12 Europe Top 10 Destination Cities by International Overnight Visitor Spend



TABLE 6 Europe Top 10 Destination Cities by International Overnight Visitor Spend (2014)

	Destination City	Country	2014 Visitor Spend (US\$ bn)						2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	\$13.50	\$15.10	\$16.00	\$17.00	\$19.30	13.40%	18.7
2	Paris	France	\$13.10	\$15.40	\$14.60	\$15.80	\$17.00	7.70%	15.6
3	Barcelona	Spain	\$7.00	\$7.80	\$8.70	\$10.10	\$11.20	11.70%	7.4
4	Istanbul	Turkey	\$5.00	\$5.90	\$7.00	\$8.00	\$9.40	17.10%	11.6
5	Madrid	Spain	\$4.90	\$5.40	\$5.30	\$5.40	\$6.30	16.50%	4.3
6	Rome	Italy	\$5.50	\$4.60	\$5.40	\$5.20	\$5.60	7.90%	6.8
7	Munich	Germany	\$4.60	\$5.00	\$5.00	\$5.20	\$5.60	8.00%	4.9
8	Vienna	Austria	\$4.00	\$4.40	\$4.20	\$4.70	\$5.60	19.10%	6.1
9	Milan	Italy	\$4.30	\$3.20	\$4.70	\$4.90	\$5.30	6.40%	6.8
10	Berlin	Germany	\$3.80	\$4.50	\$4.60	\$4.80	\$4.90	2.80%	4.3

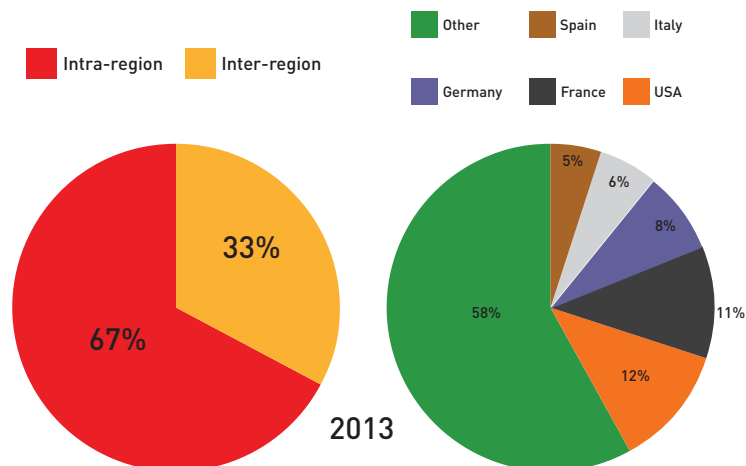


Details of London's top five feeder cities, New York, Amsterdam, Frankfurt, Stockholm, and Dublin, are summarized in Chart 13. Visitor numbers from New York are growing strongly, contrasting the dropping numbers from Stockholm and Dublin. The majority of international visitors to London are from Europe accounting for 67 percent of the total. The strong growth of London international visitor arrivals allowed it to quickly reclaim the number one position from Bangkok which suffers from a drop in visitor numbers due to unstable political conditions.

CHART 13 London: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	New York	USA	623	652	669	756	867	14.70%	\$1,016
2	Amsterdam	Netherlands	447	438	478	531	564	6.30%	\$324
3	Frankfurt	Germany	381	383	409	434	472	8.80%	\$271
4	Stockholm	Sweden	352	343	368	402	398	-0.90%	\$228
5	Dublin	Ireland	465	477	443	433	397	-8.40%	\$168

London: International Overnight Visitors by Regional Origin and Top 5 Origin Countries

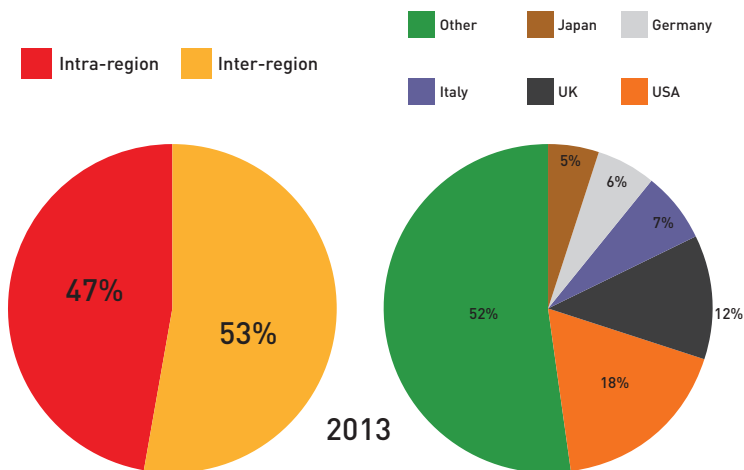


Paris, in the second rank in Europe and third in the world, also has New York as its biggest feeder city, followed by London, Amsterdam, Rome, and Tokyo. Unlike London, however, a majority of its visitors, 53 percent, are from outside of Europe.

CHART 14 Paris: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	New York	USA	515	533	531	586	589	0.40%	\$669
2	London	United Kingdom	500	518	520	538	574	6.60%	\$462
3	Amsterdam	Netherlands	371	382	421	404	456	12.80%	\$358
4	Rome	Italy	411	409	431	475	448	-5.60%	\$693
5	Tokyo	Japan	438	393	423	430	437	1.80%	\$481

Paris: International Overnight Visitors by Regional Origin and Top 5 Origin Countries



New York



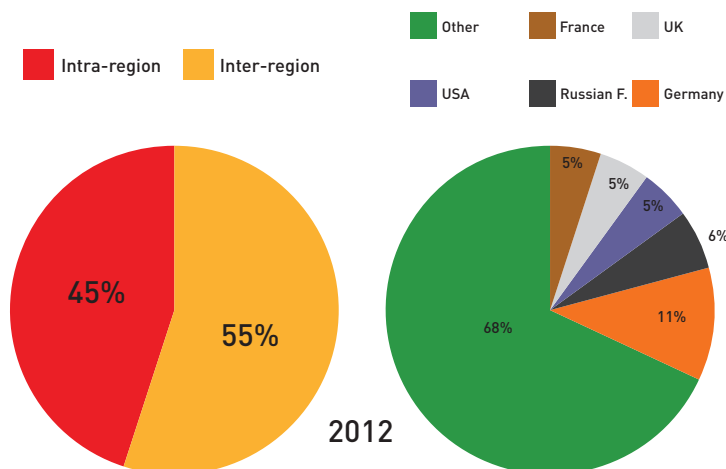


Istanbul, one of the most dynamic and fast growing destination cities, is ranked third in Europe and seventh in the world. Its top five feeder cities are all in Europe, as shown in Chart 15, and they are all showing double digit growth in visitor numbers to Istanbul. Overall, 55 percent of visitors to Istanbul come from outside of the European region.

CHART 15 Istanbul: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	452	415	458	454	500	10.10%	\$412
2	Paris	France	312	315	369	400	448	11.80%	\$512
3	Frankfurt	Germany	410	364	364	350	403	15.10%	\$442
4	Amsterdam	Netherlands	320	307	334	362	400	10.40%	\$289
5	Munich	Germany	306	305	287	297	329	11.10%	\$361

Istanbul: International Overnight Visitors by Regional Origin and Top 5 Origin Countries



Top 10 Destination Cities in Latin America

Latin America's top ten destination cities are shown in Chart 16 and Table 7. Lima is the top ranked destination city in Latin America with 5.11 million international visitors in 2014. Mexico City is ranked second, while Sao Paulo is ranked third. Punta Cana, which replaces Santiago in this edition, is in fourth, followed by Buenos Aires. Caracas falls out of the top ten to 11th place with the entry of Punta Cana.



CHART 16 Latin America Top 10 Destination Cities by International Overnight Visitors



Lima is the top ranked destination city in Latin America with **5.11 million** international visitors in 2014.

TABLE 7 Latin America Top 10 Destination Cities by International Overnight Visitors (2014)

	Destination City	Country	Visitors (millions)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Lima	Peru	2.1	2.9	3.9	4.9	5.1	4.10%	\$1.80
2	Mexico City	Mexico	1.8	2.1	2.3	2.4	2.6	7.80%	\$2.00
3	Sao Paulo	Brazil	2.0	2.1	2.1	2.3	2.5	9.70%	\$2.30
4	Punta Cana	Dominican Republic	1.7	1.8	2.0	2.1	2.2	5.50%	\$2.40
5	Buenos Aires	Argentina	2.4	2.4	2.2	1.9	2.1	9.20%	\$2.20
6	San Jose	Costa Rica	1.3	1.4	1.4	1.5	1.5	3.50%	\$0.70
7	Rio de Janeiro	Brazil	0.9	1.0	1.1	1.2	1.2	0.00%	\$1.00
8	Bogota	Colombia	0.7	0.8	0.8	0.9	0.9	5.30%	\$1.10
9	Montevideo	Uruguay	0.8	0.9	0.8	0.8	0.8	10.20%	\$0.50
10	Quito	Ecuador	0.4	0.4	0.5	0.6	0.7	18.20%	\$0.40

As shown in Chart 17 and Table 8 below, Punta Cana is the regional top rank in international visitor spending at US\$2.4 billion, followed by Sao Paulo and Buenos Aires. Bogota moves ahead of Rio de Janeiro to claim sixth rank. With the addition of Punta Cana, Caracas is displaced out of the top ten and holds the 11th rank.

CHART 17 Latin America Top 10 Destination Cities by International Overnight Visitor Spend



Punta Cana is the regional top rank in international visitor spending at **US\$2.4 billion**.

TABLE 8 Latin America Top 10 Destination Cities by International Overnight Visitor Spend (2014)

	Destination City	Country	2014 Visitor Spend (US\$ bn)						2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Punta Cana	Dominican Republic	\$1.70	\$1.90	\$2.10	\$2.30	\$2.40	3.90%	2.2
2	Sao Paulo	Brazil	\$1.70	\$2.20	\$2.10	\$2.10	\$2.30	9.60%	2.5
3	Buenos Aires	Argentina	\$3.00	\$3.10	\$2.70	\$2.10	\$2.20	6.80%	2.1
4	Mexico City	Mexico	\$1.30	\$1.50	\$1.70	\$1.80	\$2.00	12.40%	2.6
5	Lima	Peru	\$0.90	\$1.10	\$1.30	\$1.70	\$1.80	3.30%	5.1
6	Bogota	Colombia	\$1.00	\$0.80	\$0.80	\$0.90	\$1.10	20.20%	0.9
7	Rio de Janeiro	Brazil	\$0.80	\$0.90	\$1.00	\$1.00	\$1.00	-1.60%	1.2
8	San Jose	Costa Rica	\$0.60	\$0.60	\$0.60	\$0.60	\$0.70	10.50%	1.5
9	Montevideo	Uruguay	\$0.40	\$0.60	\$0.60	\$0.50	\$0.50	4.50%	0.8
10	Quito	Ecuador	\$0.20	\$0.20	\$0.30	\$0.40	\$0.40	16.50%	0.7

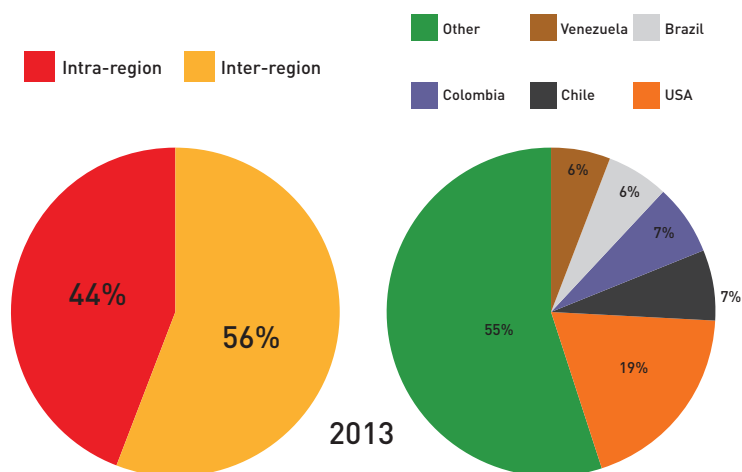


Details of the top five feeder cities for Lima are summarized in Chart 18. Four of the five feeder cities are within the Latin American region: Santiago, Buenos Aires, Bogota, and Mexico City. Miami in the US is Lima's second biggest feeder city. Overall, 56 percent of Lima's visitors come from outside of the region.

CHART 18 Lima: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Santiago	Chile	278	438	660	833	849	2.00%	\$207
2	Miami	USA	259	303	391	529	527	-0.50%	\$180
3	Buenos Aires	Argentina	197	260	327	417	444	6.50%	\$248
4	Bogota	Colombia	129	184	258	362	383	5.80%	\$127
5	Mexico City	Mexico	111	162	222	311	350	12.50%	\$119

Lima: International Overnight Visitors by Regional Origin and Top Five Origin Countries

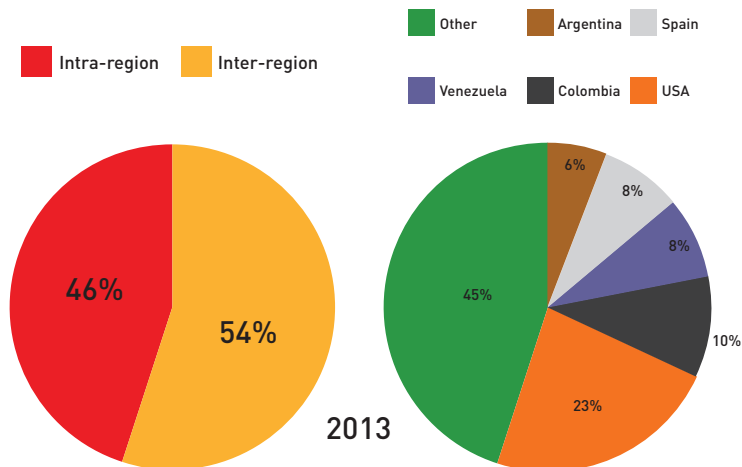


The top five feeder cities for Mexico City are all in the US: New York, Los Angeles, Miami, Houston, and Chicago. Visitors from New York and Chicago are growing strongly, in sharp contrast with declining numbers from Los Angeles, Miami, and Houston. Overall, 54 percent of visitors come from outside of the region.

CHART 19 Mexico City: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	New York	USA	173	174	208	217	240	10.20%	\$148
2	Los Angeles	USA	226	240	214	220	218	-0.70%	\$135
3	Miami	USA	161	200	223	211	208	-1.10%	\$128
4	Houston	USA	156	183	177	169	185	9.00%	\$114
5	Chicago	USA	93	119	117	118	147	24.30%	\$90

Mexico City: International Overnight Visitors by Regional Origin and Top 5 Origin Countries

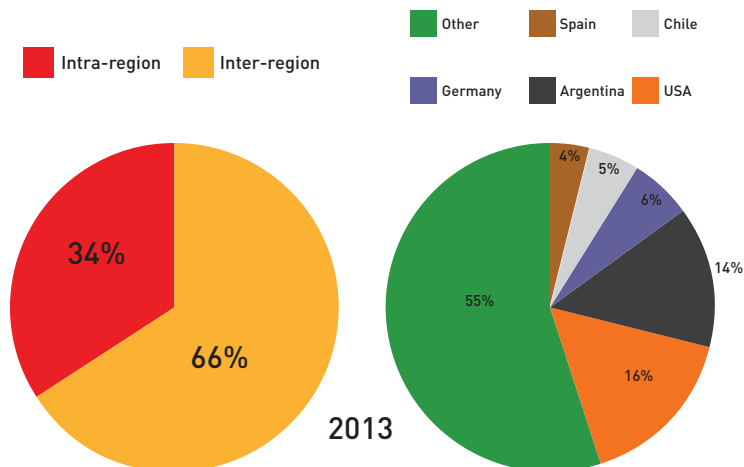


Sao Paulo's top five feeder cities represent four countries: Argentina, USA, Chile, and Germany. These feeder cities are Buenos Aires, Miami, New York, Santiago, and Frankfurt. This diversity is reflected in the fact that two-thirds of international visitors to Sao Paulo come from outside the Latin American region.

CHART 20 Sao Paolo: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Buenos Aires	Argentina	529	492	464	478	483	1.00%	\$338
2	Miami	USA	136	138	139	180	190	5.40%	\$240
3	New York	USA	128	119	129	154	163	5.90%	\$207
4	Santiago	Chile	133	137	152	147	143	-3.40%	\$88
5	Frankfurt	Germany	95	93	89	88	92	4.80%	\$78

Sao Paolo: International Overnight Visitors by Regional Origin and Top Five Origin Countries



Top 10 Destination Cities in Middle East and Africa

Middle East and Africa's top 10 destination cities are shown in Chart 21 and Table 9. Dubai is in the top rank in the region with 11.95 million international overnight visitors, followed by Riyadh and Johannesburg. In fourth place is Abu Dhabi, another city from the United Arab Emirates followed by Cape Town in fifth place.



CHART 21 Middle East and Africa Top 10 Destination Cities by International Overnight Visitors

1	Dubai	11.95 mn
2	Riyadh	5.59 mn
3	Johannesburg	4.25 mn
4	Abu Dhabi	2.11 mn
5	Cape Town	1.60 mn
6	Cairo	1.35 mn
7	Lagos	1.33 mn
8	Amman	1.13 mn
9	Tel Aviv	1.13 mn
10	Casablanca	0.99 mn



Dubai has retained the number one rank in the region.

TABLE 9 Middle East & Africa Top 10 Destination Cities by International Overnight Visitors (2014)

	Destination City	Country	Visitors (millions)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Dubai	UAE	8.4	9.2	10.2	11.1	12	7.50%	\$10.90
2	Riyadh	Saudi Arabia	1.8	4.2	4.8	5.5	5.6	1.30%	\$4.10
3	Johannesburg	South Africa	4.0	3.9	4.1	4.1	4.3	4.90%	\$3.20
4	Abu Dhabi	UAE	1.1	1.3	1.5	1.8	2.1	14.20%	\$1.90
5	Cape Town	South Africa	1.5	1.4	1.4	1.5	1.6	5.50%	\$2.30
6	Cairo	Egypt	2.2	1.6	1.8	1.5	1.4	-10.00%	\$0.80
7	Lagos	Nigeria	1.5	1.1	1.2	1.3	1.3	5.80%	\$0.70
8	Amman	Jordan	1.4	1.1	1.3	1.0	1.1	8.60%	\$0.90
9	Tel Aviv	Israel	0.9	1.0	1.0	1.0	1.1	12.30%	\$1.50
10	Casablanca	Morocco	0.8	0.8	0.9	0.9	1.0	7.40%	\$0.70

The regional top 10 ranking by international visitor spending are presented in Chart 22 and Table 10. While Dubai and Riyadh are in the first and second ranks respectively, Dubai is in a league of its own with US\$10.9 billion of visitor spending, more than double Riyadh's US\$4.1 billion. Due to the political unrest, Cairo is the only city with negative growth in the top 10 (of both international visitors and spending) in 2014.

CHART 22 Middle East and Africa Top 10 Destination Cities by International Overnight Visitor Spend



TABLE 10 Middle East & Africa Top 10 Destination Cities by International Overnight Visitor Spend (2014)

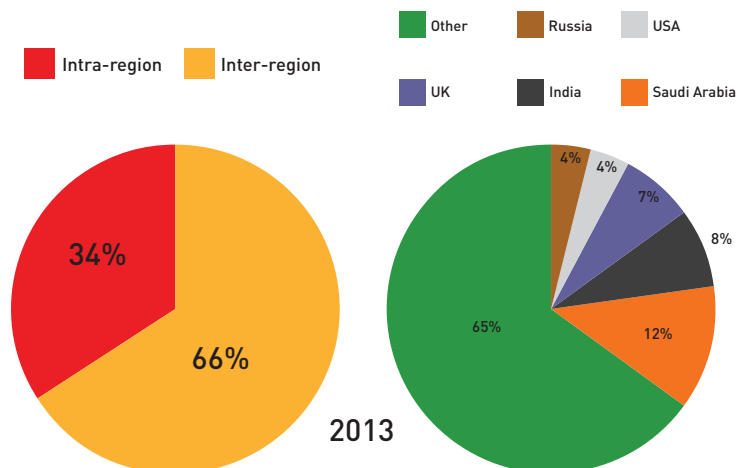
	Destination City	Country	2014 Visitor Spend (US\$ bn)						2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Dubai	UAE	\$7.60	\$8.10	\$9.00	\$10.00	\$10.90	9.00%	12.0
2	Riyadh	Saudi Arabia	\$1.10	\$3.10	\$3.30	\$4.00	\$4.10	4.20%	5.6
3	Johannesburg	South Africa	\$3.70	\$3.30	\$3.10	\$3.10	\$3.20	4.90%	4.3
4	Cape Town	South Africa	\$3.00	\$2.20	\$1.90	\$2.10	\$2.30	5.50%	1.6
5	Abu Dhabi	UAE	\$1.00	\$1.10	\$1.30	\$1.70	\$1.90	15.80%	2.1
6	Tel Aviv	Israel	\$1.30	\$1.30	\$1.30	\$1.30	\$1.50	12.00%	1.1
7	Amman	Jordan	\$1.00	\$0.70	\$1.00	\$0.90	\$0.90	9.80%	1.1
8	Cairo	Egypt	\$2.00	\$1.40	\$1.60	\$0.90	\$0.80	-7.60%	1.4
9	Beirut	Lebanon	\$1.00	\$0.80	\$0.60	\$0.70	\$0.80	7.80%	0.7
10	Casablanca	Morocco	\$0.50	\$0.60	\$0.60	\$0.60	\$0.70	14.80%	1.0

Details of Dubai's top five feeder cities are summarized in Chart 23, and they are London, Riyadh, Kuwait, Jeddah, and Paris. While growth rates of visitors from Saudi Arabia and Kuwait are either dropping or barely growing, growth rates of visitors from London and Paris are growing strongly in double digits. This is consistent with the trend that international visitors from outside of the region is becoming more important for Dubai, currently accounting for 66 percent of the total.

CHART 23 Dubai: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	862	816	771	881	1,014	15.10%	\$1,283
2	Riyadh	Saudi Arabia	131	279	403	498	456	-8.50%	\$359
3	Kuwait	Kuwait	322	374	393	422	430	1.90%	\$339
4	Jeddah	Saudi Arabia	111	228	395	463	423	-8.60%	\$333
5	Paris	France	314	300	322	354	408	15.50%	\$322

Dubai: International Overnight Visitors by Regional Origin and Top Five Origin Countries

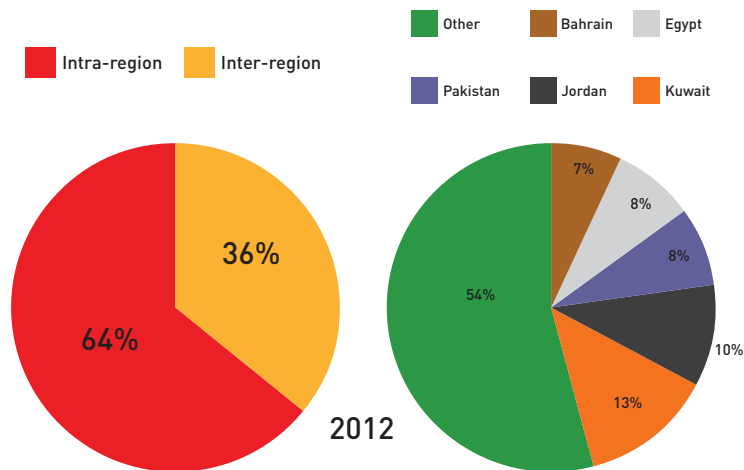


Riyadh's top five feeder cities are Cairo, Dubai, Doha, Amman, and Mumbai; and 64 percent of its visitors came from within the region.

CHART 24 Riyadh: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Cairo	Egypt	261	662	670	749	775	3.50%	\$582
2	Dubai	UAE	78	216	506	687	626	-8.90%	\$470
3	Doha	Qatar	25	43	298	393	413	5.20%	\$224
4	Amman	Jordan	82	171	185	258	296	14.50%	\$222
5	Mumbai	India	146	223	231	238	218	-8.60%	\$164

Sao Paulo: International Overnight Visitors by Regional Origin and Top Five Origin Countries

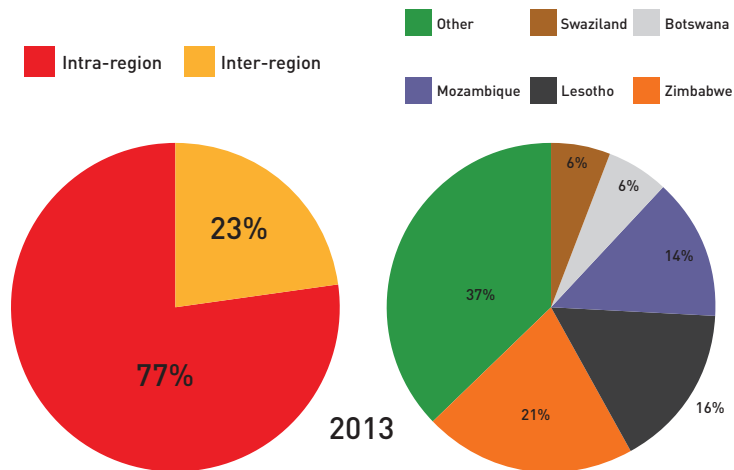


Johannesburg's top five feeder cities are London, Frankfurt, Harare, Maputo, and Paris, as shown in Chart 25. While visitor numbers from London and Frankfurt are growing, the others are dropping. An overwhelming majority (77 percent) of international visitors to Johannesburg came from inside of the region.

CHART 25 Johannesburg: Top 5 Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	556	454	472	444	458	3.30%	\$462
2	Frankfurt	Germany	254	281	315	292	305	4.30%	\$159
3	Harare	Zimbabwe	304	332	265	279	269	-3.80%	\$140
4	Maputo	Mozambique	125	123	153	210	204	-2.80%	\$115
5	Paris	France	219	197	205	206	198	-3.90%	\$337

Dubai: International Overnight Visitors by Regional Origin and Top 5 Origin Countries



Top 10 Destination Cities in North America

The top 10 destination cities in North America are presented in Chart 26 and Table 11. New York is the top ranked in the region and ranked sixth in the world, with 11.81 million international visitors. It is followed by Los Angeles, Miami, Toronto and San Francisco, which are unchanged from their last year's ranking.



CHART 22 North America Top 10 Destination Cities by International Overnight Visitors



New York is top ranked in the region and ranked **sixth** in the world.

TABLE 11 North America Top 10 Destination Cities by International Overnight Visitors (2014)

	Destination City	Country	Visitors (millions)						2014 Visitor Spend (US\$ bn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	New York	USA	9.4	10.3	10.6	11.1	11.8	6.60%	\$18.60
2	Los Angeles	USA	4.2	4.5	4.5	4.7	5.0	5.80%	\$7.70
3	Miami	USA	3.4	3.3	3.8	4.1	4.2	2.10%	\$6.60
4	Toronto	Canada	3.3	3.4	3.5	3.7	3.8	4.30%	\$2.20
5	San Francisco	USA	3.1	3.3	3.3	3.5	3.6	3.90%	\$5.60
6	Vancouver	Canada	3.2	3.1	3.2	3.3	3.4	4.50%	\$2.50
7	Chicago	USA	2.0	2.0	2.2	2.3	2.4	6.90%	\$3.80
8	Washington	USA	2.0	2.0	2.0	2.1	2.2	2.70%	\$3.50
9	Montreal	Canada	1.9	1.9	1.9	2.0	2.0	1.30%	\$1.10
10	Boston	USA	1.4	1.5	1.5	1.5	1.6	5.20%	\$2.50

As shown by Chart 27 and Table 12 below, New York is also top ranked in the region in international visitor spending at US\$18.6 billion (and ranked second in the world). This is followed by Los Angeles, Miami, Toronto and San Francisco.

CHART 27 North America Top 10 Destination Cities by International Overnight Visitor Spend

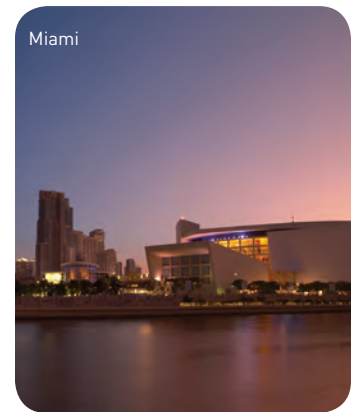


TABLE 12 North America Top 10 Destination Cities by International Overnight Visitors Spend (2014)

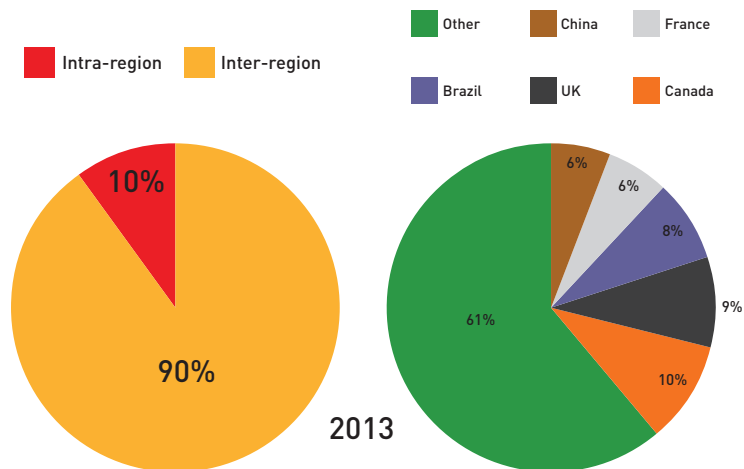
	Destination City	Country	2014 Visitor Spend (US\$ bn)						2014 Visitor (millions)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	New York	USA	\$14.00	\$15.80	\$14.80	\$16.40	\$18.60	13.00%	11.8
2	Los Angeles	USA	\$6.20	\$6.90	\$6.30	\$7.00	\$7.70	10.50%	5.0
3	Miami	USA	\$5.10	\$5.00	\$5.30	\$6.10	\$6.60	8.20%	4.2
4	San Francisco	USA	\$4.60	\$5.10	\$4.50	\$5.10	\$5.60	10.10%	3.6
5	Chicago	USA	\$2.90	\$3.10	\$3.10	\$3.40	\$3.80	13.30%	2.4
6	Washington	USA	\$2.90	\$3.10	\$2.80	\$3.20	\$3.50	8.90%	2.2
7	Vancouver	Canada	\$2.30	\$2.40	\$2.30	\$2.40	\$2.50	6.90%	3.4
8	Boston	USA	\$2.00	\$2.40	\$2.10	\$2.30	\$2.50	11.50%	1.6
9	Toronto	Canada	\$1.80	\$2.10	\$2.00	\$2.00	\$2.20	11.40%	3.8
10	Houston	USA	\$1.40	\$1.60	\$1.60	\$1.80	\$2.20	20.00%	1.4

The top five feeder cities of New York are shown in Chart 28. They are London, Sao Paulo, Toronto, Paris, and Beijing, a very diverse mix. Visitors from Beijing are growing especially strongly at 17.3 percent. The fact that 90 percent of visitors to New York came from outside of North America underscores its prowess as a global city.

CHART 28 New York: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	London	United Kingdom	895	917	919	946	979	3.50%	\$1,203
2	Sao Paulo	Brazil	519	536	597	690	732	6.00%	\$1,521
3	Toronto	Canada	495	532	588	619	635	2.50%	\$232
4	Paris	France	562	624	631	623	626	0.60%	\$1,039
5	Beijing	China	121	213	266	354	416	17.30%	\$1,418

New York: International Overnight Visitors by Regional Origin and Top Five Origin Countries



Los Angeles' top five feeder cities are Vancouver, London, Seoul, Paris and Taipei, also a very diverse mix, as seen in Chart 29. Similar to New York, 83 percent of visitors to Los Angeles came from outside of the region.

CHART 29 Los Angeles: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Vancouver	Canada	332	328	326	321	332	3.50%	\$114
2	London	United Kingdom	365	361	318	324	331	2.00%	\$381
3	Seoul	South Korea	197	236	233	245	284	15.80%	\$577
4	Paris	France	325	338	273	280	283	1.20%	\$441
5	Taipei	Chinese Taipei	411	217	202	217	250	15.40%	\$139

Los Angeles: International Overnight Visitors by Regional Origin and Top Five Origin Countries

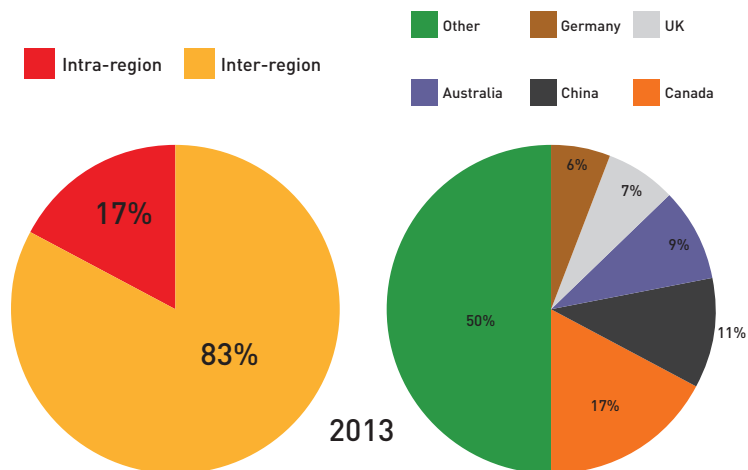
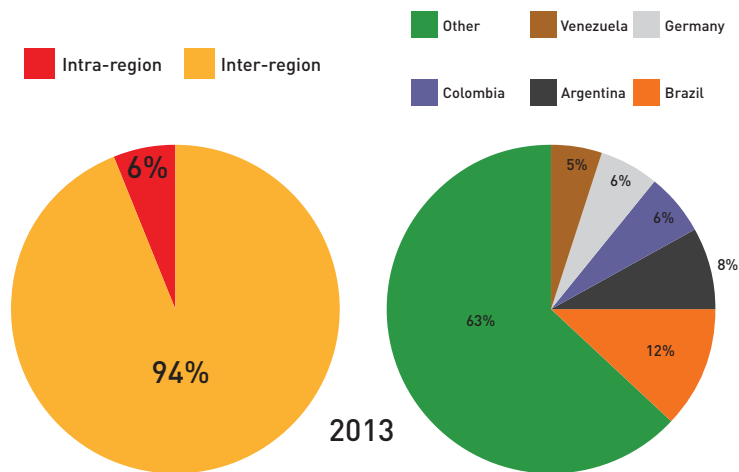


Chart 30 shows the top five feeder cities of Miami. Four out of the five are in Latin America, illustrating the strong connection between Miami and cities in Latin America. In fact, 94 percent of visitors to Miami came from outside of North America, and most are from Latin America.

CHART 30 Miami: Top Five Feeder Cities by International Overnight Visitors (2014)

	Feeder Cities	Country	Visitors (thousands)						2014 Visitor Spend (US\$ mn)
			2010	2011	2012	2013	2014	%Δ 2013 & 2014	
1	Sao Paulo	Brazil	325	286	331	424	448	5.50%	\$1,073
2	Caracas	Venezuela	338	351	398	380	348	-8.50%	\$853
3	London	United Kingdom	288	277	328	318	310	-2.60%	\$439
4	Buenos Aires	Argentina	231	210	243	297	304	2.10%	\$691
5	Bogota	Colombia	121	124	184	200	197	-1.50%	\$134

Miami: International Overnight Visitors by Regional Origin and Top Five Origin Countries

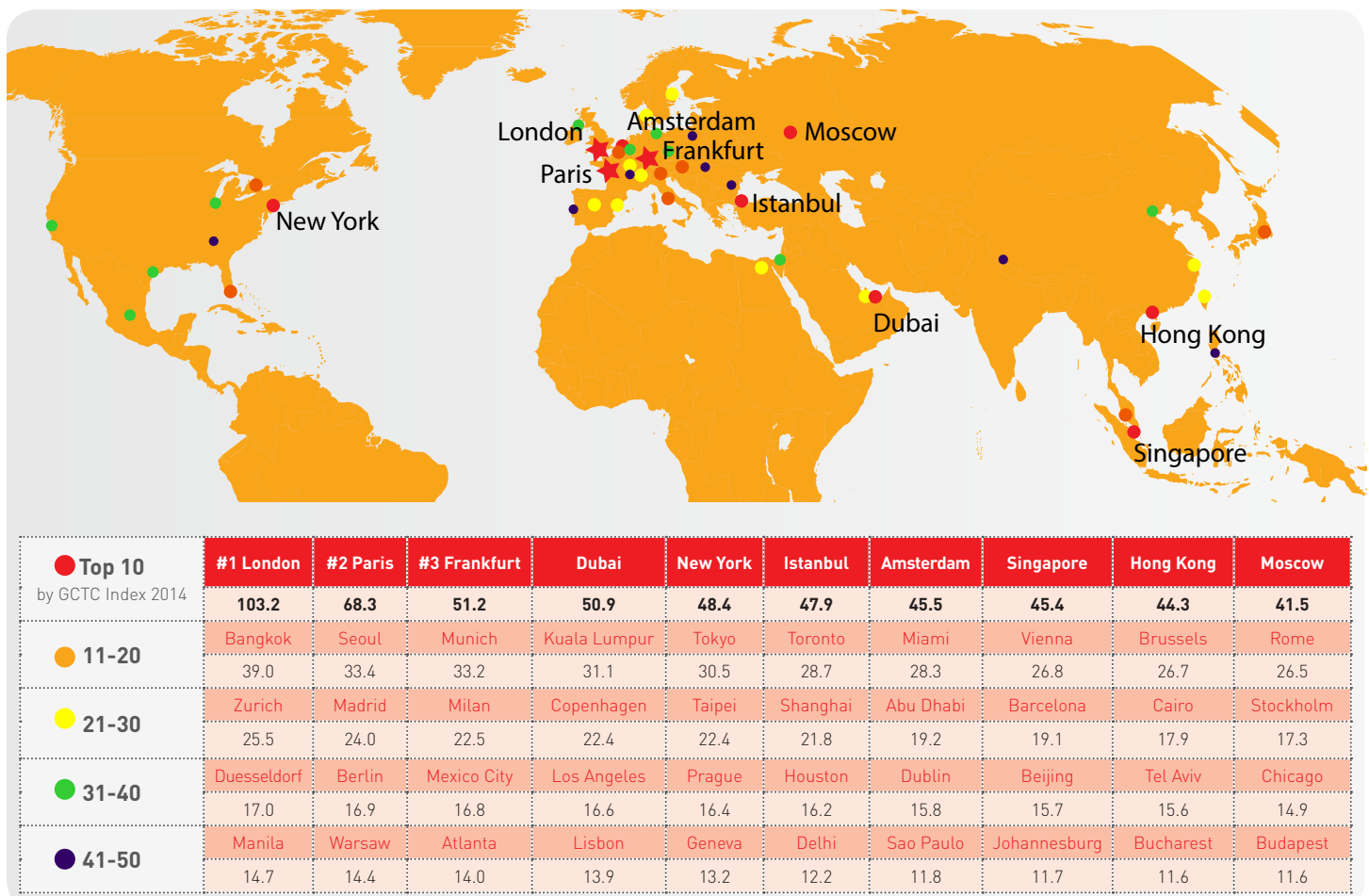


The Air Hub Index: Power of Connectivity

The flows of visitors and their spending from feeder cities to destination cities are in essence a form of service trade. Unlike trade in goods, however, the buyers (visitors) physically move from where they live to where the sellers live, the destination cities. Thus, in cross-border air travel, the connection between demand (buyers) and supply (sellers) is mediated by the logistics of air connectivity. Very often when a new airport is opened or an old one upgraded and when new flight connections are inaugurated; the volume of air travel increases correspondingly. So expanding or shrinking air connectivity will have very material impacts on the growth and decline of destination cities, and can be construed as a key leading indicator.

The "air hub index" is designed to measure the breadth of a destination city's connectivity by air with the rest of world, as well as the strength of each of the connections. The index then assigns a value to each destination city on the basis of the number of international flight connections that it has (weighed differently between inter-region versus intra-region flights) and the frequencies of these flights.⁸ Chart 31 presents the ranking and index scores of the top 50 destination cities. It is obvious that there is a lot of overlap between the ranking in destination cities by international visitors and by air hub scores; but there are also significant differences suggesting a dynamic and changing future. Of the global top 10 destination cities, only seven are in the top 10 by the air hub index scores. Indeed, the world's second ranked destination city, Bangkok, is ranked 11th in the air hub index, whereas Moscow which ranks 48th globally as a destination city is ranked tenth in the air hub index.

CHART 32 Global Leading Air Hubs Index Top 50 Destinations by Index Score



⁸See Appendix for the methodology of computing the Air Hub Index scores.



The air hub index offers yet another perspective on change when the growth rates in index scores are compared between the destination cities. Chart 32 summarizes details of the top 10 fastest growing destination cities by air hub index scores. Some of them, like Bangkok, Dubai, Singapore, Istanbul, and Hong Kong, are already among the top ranked destination cities, but others like Moscow, Shanghai, and Abu Dhabi, are not yet there, but they could be on their way as they are actively growing their flight connectivity as suggested by the rapid increase in their air hub scores.

CHART 32 Top 10 Fastest Growing Destination Cities by Air Hubs Index (by 2010-2014 change in index points score)

Rank by 2014 score	Base City	Global Leading Air Hubs Index							
		2009	2010	2011	2012	2013	2014	%Δ 2009 & 2014	Index Point Δ 2009 & 2014
1	Istanbul	23.4	26.8	30.5	35.7	41.8	47.9	104.60%	24.5
2	Hong Kong	25.0	26.6	29.6	31.6	42.5	44.3	76.70%	19.2
3	Dubai	35.2	39.2	42.4	46.5	51.2	50.9	44.60%	15.7
4	Moscow	27.1	30.8	35.5	38.9	41.6	41.5	53.40%	14.4
5	Singapore	31.0	33.7	38.3	42	44.3	45.4	46.20%	14.3
6	Kuala Lumpur	18.0	20.7	23.0	24.1	27.6	31.1	73.20%	13.2
7	Bangkok	26.2	27.5	30.4	32.6	37.9	39.0	48.90%	12.8
8	Seoul	22.3	23.9	26.8	30.4	32.5	33.4	49.70%	11.1
9	Shanghai	10.9	12.7	14.2	15.3	19.8	21.8	99.20%	10.9
10	Abu Dhabi	10.5	12.3	13.2	14.7	16.5	19.2	82.30%	8.7

Conclusions

The continuing and robust growth of air travel and cross-border spending as reported by MasterCard's Global Destination Cities Index, which consistently exceeded world GDP growth over the 2009 and 2014 period, suggest a very powerful trend in the making. It appears to be a multidimensional phenomenon driven by a combination of rapid growth of mass tourism due to the expanding middle class in many emerging markets, rising needs for business travel in spite of the internet and the digital world, and proliferating innovations in luxury travel. It is a trend that is likely to persist in the foreseeable future.

The picture is an equally dynamic one when it comes to the comparative performance of the destination cities as reflected by the ranking in the Index. At the very top is the close race between London and Bangkok, with London reclaiming the top rank this year after losing it to Bangkok last year. The fact of the matter is that many destination cities moved up in the ranks in the last five years, overtaking others, regardless whether they rank high or low in the Global Destination Cities Index. Not surprisingly many of the "upwardly mobile" destination cities are in emerging markets because of their growing air connectivity and fast improving infrastructure. In fact, using the growth rates in the Air Hub Index as the leading indicator, it would appear that seven out of the ten fastest growing "air hubs" are in emerging markets.

While destination cities in emerging markets may be growing faster in relative terms, the absolute size of the pie of air travel is also expanding fast. So it is not a zero sum game where destination cities in emerging markets are gaining at the expense of those in the developed markets. A more accurate characterization is that they seem to grow synergistically, which explains why this is such a robust and resilient trend.

Appendix A: Methodology

The 132 Destination Cities of the index.

Asia/Pacific (42 cities):

Ahmedabad, Almaty, Bangkok, Beijing, Bengaluru, Chengdu, Chennai, Coimbatore, Colombo, Dalian, Delhi, Dhaka, Guangzhou, Hangzhou, Hanoi, Harbin, Ho Chi Minh City, Hong Kong, Hyderabad, Islamabad, Jakarta, Karachi, Kolkata, Kuala Lumpur, Lahore, Manila, Melbourne, Mumbai, Nanjing, Osaka, Pune, Qingdao, Seoul, Shanghai, Shenzhen, Singapore, Sydney, Taipei, Tianjin, Tokyo, Xi'an, Xiamen

Europe (36 cities):

Amsterdam, Ankara, Athens, Barcelona, Berlin, Brussels, Bucharest, Budapest, Copenhagen, Dublin, Dusseldorf, Edinburgh, Frankfurt, Geneva, Hamburg, Istanbul, Kiev, Lisbon, London, Madrid, Milan, Minsk, Moscow, Munich, Novosibirsk, Paris, Prague, Rome, Sofia, St Petersburg, Stockholm, Vienna, Vladivostok, Warsaw, Yekaterinburg, Zurich

Latin America (19 cities)

Belo Horizonte, Bogota, Brasilia, Buenos Aires, Caracas, Cordoba, Curitiba, Lima, Medellin, Mexico City, Monterrey, Montevideo, Quito, Recife, Rio de Janeiro, San Jose, Punta Cana*, Santo Domingo, Sao Paulo

Middle East and Africa (21 cities)

Abu Dhabi, Accra, Amman, Beira, Beirut, Cairo, Cape Town, Casablanca, Dakar, Damascus, Dubai, Durban, Kampala, Johannesburg, Lagos, Maputo, Nairobi, Riyadh, Tehran, Tel Aviv, Tunis

North America (14 cities)

Atlanta, Boston, Chicago, Dallas, Houston, Los Angeles, Miami, Montreal, New York, Philadelphia, San Francisco, Toronto, Vancouver, Washington

*Punta Cana replaces Santiago

Global Air Hub Index

It is an index that seeks to measure the breadth of a city's international connectivity as well as the strength of each connection. Using Amsterdam as an example, for each city pair with Amsterdam as the departure node, we calculate the connectivity score for the city pair as:

$$100 \times \{\text{Weekly Flight Frequency}\} \times \{\text{Intra/Inter Regional Multiplier}\} \\ / \{\text{City Pair with Max Weekly Flight Frequencies}\}$$

where **Weekly Flight Frequency**: is the number of flights per week departing from Amsterdam to a particular city. This is the main driver of the connectivity score and it is sourced from OAG Flight Schedules Data. Airlines will also provide their flight schedules for one year ahead, which is how we obtained the weekly flight frequencies for 2014. While the number of cities that Amsterdam is connected to determines Amsterdam's raw connectivity, the strength of each connection is measured by the weekly flight frequency and weighted by whether or not the connection is Inter-regional or Intra-regional.

Inter/Intra-Regional Multiplier: International Destinations from Amsterdam that are Inter-regional (i.e. outside of Western Europe in the case of Amsterdam) are weighted at twice (i.e. x 2) that of International Destinations within the same region as Amsterdam (i.e. intra-regional, within Western Europe).

City Pair with Max Weekly Flight Frequencies: This number is used to normalize the raw connectivity scores. It has absolutely no effect on the relative scores between cities and is used only for ease of presentation when viewing the data.

Every Amsterdam – XXX city pair is thus given its own connectivity value. We add them up to get a connectivity value for Amsterdam itself. We now do this for every one of the 132 cities. Once we have the connectivity scores for all 132 cities, we perform a final normalization so that the scores can be presented out of a maximum of 100 (Index format). The divisor for this is the highest raw 2009 score (in this case London's raw connectivity score in 2009).

Estimation of Overnight Visitors

City level international overnight arrivals are those who actually stay in the destination city, at least for one night. In other words we only count cases where the disembarkation city is also an overnight destination city. This is opposed to cases where the disembarkation city is merely a transit point while the destination city which maybe some other city in the same country.

The sources for city level overnight arrivals by foreign visitors are typically the National Statistics Boards of the relevant countries or their Tourism Boards. The indicators for 122 out of the 132 cities were directly sourced for or estimated from official data. The other 10 cities were estimated using the Airflow Model (see below).

Total overnight foreign visitor official data was available directly for estimation for 70 cities. Where this was not available, we sourced for:

- ✦ Foreign overnight arrivals by air at the city level (12 cities)
- ✦ Foreign overnight arrivals at paid accommodations at the city level (40 cities)

In previous editions of this report Dubai international overnight visitors were at the paid accommodation level only; in this edition however, Dubai Tourism and Commerce Marketing has kindly provided us with estimates of international overnight visitors who stay with friends and family and as such we have revised our data to include this.

In cases where official data or estimates derived from official data do not cover the most recent year but do cover earlier years, we have projected from the years where data was available using the growth rates from the Airflow model. For all cases forecasts for 2014 are projected using growth rates from the Airflow model.

The Airflow Model

Every month the OAG collects the airline flight schedules for the next 12 months on a global basis. Using only non-stop flights we extract for each city to city pair the number of:

- ✦ Weekly flight frequencies
- ✦ Passenger capacity

On any airline flight route, the average % of seats filled (i.e. called the “load factor”) varies. This information is extremely sensitive for competitive reasons and airlines will only release this data with a 1 year lag. Nevertheless, by using the historical load factor on most city to city flight routes, we can estimate a proxy for the current and forecasted load factor. We used a weighted average of the historical load factors with heavier emphasis on the most recent years which ranges from 30% to 100%, but airlines will try to maintain a load factor of between 70 to 80% by changing the number of weekly flights or by changing the aircraft type to increase or decrease passenger capacity. As such, for determining the years for which we do not have load factor numbers we apply an increasing improvement of 5% per year on the historical average, starting at 70% and improving to 85% over time.

Using the data above a first estimate of the number of passengers departing from one city to another can be made using:

Estimated Travelers =

Load Factor * Passenger Capacity

Now on any flight there will also be passengers who are returning home after having visited the departure city. For example, in the case of a Caracas to Miami flight there will be US passengers returning back to Miami (after having visited Caracas). We want to net out those passengers. As airlines do not reveal the residency of their passengers there is no way to know at a city to city level what portion of passengers on each flight is returning home. We need to go to the country-country level for this and for that we use UNWTO (United Nations World Tourism Organization) data. They collect the number of annual residents traveling between country pairs and we use these numbers to create a ratio of:

Departure Country A to Arrival Country B Ratio =

Annual Number of Residents from Country A going to Country B /
 {Annual Number of Residents from Country A going to Country B +
 Annual Number of Residents from Country B going to Country A}

For example, in the case of the Caracas – Miami route, in 2009 there were 340,403 Venezuelans in total traveling to the US, and 43,752 US residents in total traveling to Venezuela via the Miami – Caracas route implying a ratio of 88.6% which is the estimated ratio of Venezuelans on any given flight from Venezuela to the US. We use this ratio to net out returning US residents and to obtain the number of Venezuelans traveling from Caracas to Miami as follows:

Estimated Venezuelan Resident Travelers from Caracas to Miami =

Estimated Travelers * Ratio of Venezuelan Resident Travelers
to Total Travelers {US & Venezuela}

Where UNWTO data was not available for a country pair (data available for 76% of the country pairs), data was sourced at the National level where available (2% of city pairs) or we used the ratio of the IMF Balance of Payments travel debit accounts to construct a secondary proxy ratio. In this release we have focused on key border regions around the world where the UNWTO cross-country visitor data may give less accurate ratios. In all cases, the general idea was to use overnight visitors (where data was available) instead of overall visitors to construct more accurate departure-arrival ratios of air travelers. This has resulted in some shifts to the flow of travel between these areas (and therefore overall expenditure as well). The border regions include the Mexican-US border, EU countries which share a border, the Singapore-Malaysia border, and the Ukraine-Russia-Belarus-Moldova border areas.

In this release, out of the 132 cities, 10 were estimated using the airflow model as we were unable source for official statistics. They are:

- **Eastern Europe:** Novosibirsk, Yekaterinburg, Kiev, Minsk, Almaty
- **Asia:** Dhaka, Tehran
- **Africa:** Dakar, Lagos, Accra

To estimate the number of visitors to each of the destination cities, the following steps are followed.

- (i) As explained previously, on any given flight there are departing residents from the departure country, returning visitors, and a third group of residuals. The residuals group can be a low proportion of the passengers for typically non-hub cities, and very high for hub cities. To estimate the proportion of this group, we use: Residuals = Total Estimated Passengers – Number of Departing Residents – Number of Returning Visitors

- ❖ (ii) Residuals constitute 2 main groups: (A) non-residents (of either the origin or destination country) who from the origin city are visiting the destination city, and residents of the origin country, and (B) non-residents (of either the origin or destination country) who will be transiting through the destination city without visiting it. We are interested in (a) but in order to separate the residuals into its 2 components we use a relative connectivity ratio "RCR" that is based on the International Air Connectivity Index (IACI) scores previously created.

RCRo-a: the Relative Connectivity Ratio of the Origin City relative to the Destination City

IACIo: the International Air Connectivity Index of the Origin City

IACId: the International Air Connectivity Index of the Destination City

We then separate out (A) using

$A = \text{Residual} \times \text{RCR}$ & $B = \text{Residual} - A$

We then add A {Non-residents (of either the departing or arrival country) who from the departure city are visiting the arrival city} to the number of residents visiting the arrival country {calculated earlier} to obtain the estimated number of travelers who will visit the destination city, which is equal to:

Visitors = Origin Country Residents + Non-Residents from other Countries

Estimation of Visitors' Cross-Border Expenditure

In most cases the estimated visitor spend at the city level was directly sourced from official statistics, or estimated using data from national international visitor surveys (49 cities). Where survey level data at the city level was unavailable but available at the national level, we used the later in terms of the national average expenditure per overnight tourist which we multiplied with city level overnight visitors to obtain total expenditure (44 cities). Where survey data was not available at either the city or country level, we calculated and used the average expenditure in destination countries using IMF Balance of Payments Travel Credit data (adjusted down to include only overnight visitors as the Balance of Payments data includes both excursionist and overnight visitors) and the total number of overnight visitors to the country (36 cities). For Kiev, Singapore and Paris we looked at country to country data to estimate the average expenditure of outbound travelers. City to city expenditure data is difficult to obtain (partial figures do exist but these are not publicly available). For this we use the United Nations' Trade in Services database (travel component) which does not include transport, i.e. Airfares at the paired country level. For country pairs where this data is not available we default to using.

The formula is as follows:

Average Expenditure of Visitors =

Total Amount Spent on Travel in the destination country by residents of the origin country (ex Air Tickets) /Total Number of origin country residents traveling to the destination country

Based on the latest year available for average expenditure per traveler we then project the average expenditure per traveler using the nominal growth rate of GDP per Capita provided by the IMF WEO forecast database. Using the estimated number of residents flying from each departure city to each destination city, we can then calculate the estimated expenditure by multiplying in the average expenditure to obtain city to city expenditure estimates. That is for each city pair:

Estimated Visitor Spend =

Number of Visitors x Average Expenditure in the Destination country

Data Sources

Indicators	Source
Dynamic 1 Year Forward Flight Schedules	OAG
Traffic by Flight Stage & Load Factor	IATA
Country-Based Tourism Statistics	UNWTO
Country-Based Tourism Statistics	National Tourism Boards
Trade in Services	UN
WEO Data Base	IMF
Global Data Base	CEIC
World Tourism Indicators	WTTC

Glossary

Visitor: Person who is traveling on a non-stop direct flight to her destination and is not a resident of the destination country. A visitor may make more than one trip, and each trip counts as a new visit. That is, a person who makes 2 trips to a destination as described above counts as 2 visitors to that destination. A person on the return leg home does not count as a visitor.

Visitor Spend: The estimated total amount that visitors spend in the destination city/country. It excludes air ticket expenditure required to get the visitor to the destination city.

Origin City: The city from which visitors embark on their flight to the destination city. Passengers who count as visitors may be residents of the origin city/country or may be non-residents from other countries (but not the destination city/country).

Destination City: The city where passengers disembark (leave the airport) and are counted as visitors (which only includes non-residents of the destination city/country).

Feeder City/Country: Sometimes visitors & visitor spend is described at the country or city level interchangeably. For example, visitors from Frankfurt to London are described as non-residents & residents of the origin country visiting the destination country via London. By residents of the feeder country we mean German residents inclusive of residents of Frankfurt. This is because residents from other parts of Germany may have domestically flown or driven to Frankfurt to take their flight to London together with residents of the Frankfurt urban area. Non-residents of the feeder country include for example Singaporeans who are on their way to London who have either visited Frankfurt before going to London or who are simply transiting through Frankfurt on their way to London. The point is that the feeder city is the most recent place from which travelers embarked before arriving at their destination which is a constraint of using only non-stop flights. Finally, visiting the destination country via London, implies that visitors may disembark in London to visit the city but they could also go from London to visit other parts of the country via a domestic flight.

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